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February 1, 2007

TO: Each Health Deputy  
FROM: Wesley Ford, Director *WOF*  
Office of Ambulatory Care

SUBJECT: INTENTION TO REQUEST PURCHASE ORDER

This is to advise you of our intention to request a sole source purchase order in the amount of \$90,000 with the East Valley Community Health Center (EVCHC) for the provision of digital retinal capture and image reading services for indigent diabetic patients enrolled in the County's Public-Private Partnership (PPP). Services with EVCHC will begin March 1, 2007.

**Background**

In October 2003, a retinal telemedicine project was started by DHS in collaboration with our PPP partners through a federal Healthy Communities Access Program (HCAP) grant, which expired February 28, 2005. Under that grant a telemedicine network was created with our PPP provider system, consisting of 20 providers and 2 Digital Reading Provider Sites. The HCAP funding facilitated the purchase of the retinal cameras but no funding was available to sustain the digital image reading services at the Provider Sites after the grant funding terminated.

**Future Plans**

The Department is building upon the accomplishments of the HCAP project by continuing to provide retinal capture and image reading services. In addition to the cameras purchased through the HCAP grant, the Department has purchased and installed 4 cameras located at the Roybal, Long Beach, Hudson and Mid-Valley Comprehensive Health Centers. (The El Monte CHC, the sole DHS CHC located in SPA 3, does not have a retinal camera). The DHS Retinal Telemedicine Project is in the process of developing a centralized image reading center and to fast-track ophthalmology appointments for those patients who appear to have significant retinopathy, as current wait times for county-provided services can be as long as 9-12 months.

The centralized image reading center will be web-based. As such, this center will be able to receive images from throughout the county for grading and the results will be transmitted back to the referring provider. However, full implementation of the internal centralized retinal image reading system is not likely to occur for another 12-18 months.

### **Statement of Work**

Below are the initial steps needed to proceed with this project:

1. Ensure appropriate Business Associate Agreements and other required documents are in place.
2. EVCHC will contract with a qualified retinal image provider to read and interpret retinal images taken with EVCHC retinal camera.
3. EVCHC will coordinate with other PPPs and county-operated clinics in the SPA 3 area to make the retinal telemedicine program available to their diabetic patients.
4. EVCHC will report results of image reading to referring clinic. Results will be reported via e-mail with a copy of the e-mail going to the EVCHC where it will be stored on the computer hard-drive.
5. EVCHC will submit quarterly (every three months) invoices that reflect the number of patients/scans and associated cost per month, per patient.

### **Term**

The Department submitted to Materials Management a request for a purchase order with EVCHC on January 29, 2007. The term of this project would be from March 1, 2007 to June 30, 2008.

### **Funding**

This request is for a one-time only funding in the amount of \$90,000 of net County costs, allocated in the Department's Fiscal Year 2006-07 approved budget.

Vendor will bill quarterly (every three months). Each bill will have: A) the number of patient scans, B) the number of patient readings, C) the cost associated for each patient scan and D) a copy of the retinal scan reader's invoices.

### **Justification**

PPP patients in the SPA 3 area are geographically isolated from other PPP sites and county-operated clinics that can provide retinal scans. East Valley Comprehensive Health Center participated in the HCAP study and was selected as the site to house the

camera that would serve SPA 3 patients because of its central location within the SPA, as well as its offer to provide the image capture labor free as an in-kind donation to the SPA.

Upon termination of HCAP funds in February 2005, East Valley and the SPA 3 Health Planning Group sought funding from local sources to subsidize the professional cost of reading the scans as well as the technical support for the site. However, private funding to support retinal image reading was exhausted in early 2006. Since then, East Valley has tried to subsidize reading of the retinal scans for the project but is no longer able to incur these costs.

The requested purchase order is to subsidize reading of the retinal scans until other funds can be found or DHS implements its centralized reading center, which is being developed. As such, no system is in place for reading retinal image scans taken with county-purchased cameras. Approval of this sole source purchase order will allow East Valley Community Health Center to continue providing retinal scans on regular basis to PPP diabetic patients in the SPA 3 area. This will positively impact accessibility to dilated eye exams and other ophthalmology services for those patients who are at a higher risk of developing diabetic related blindness.

### **Vendor Qualification**

EVCHC is located in eastern Los Angeles County. EVCHC has been steadfast in its commitment to meet the health care needs of the low-income and underserved within its targeted community since 1970. EVCHC has evolved from a free clinic that focused on family planning and counseling services (1970-1980) into a comprehensive health care provider and since 2002, a Federally Qualified Health Center. EVCHC, via its two clinics in West Covina and Pomona, has emerged as a focal point for the coordination and delivery of health care services to the uninsured and underserved. Its mission is to provide quality and accessible comprehensive health care and health education services to the populations in the East San Gabriel and Pomona valleys.

EVCHC patients exhibit lower income and education levels and higher incidence of unemployment. Eighty-nine percent of EVCHC patients belong to ethnic minorities, with 76% of them being of Latino origin; 95% fall below the 200% of the FPL and 88% do not have any type of private or public healthcare coverage.

EVCHC is a current PPP contractor. During 2005, EVCHC provided medical care to over 2,500 diabetic individuals; of which approximately 85% were PPP patients. For the past several years, East Valley Community Health Center has played an important role in fast-tracking prioritized access to ophthalmology services for uninsured diabetic individuals receiving primary care services at PPP sites throughout SPA 3. In early 2000, DHS was awarded an HCAP grant to implement a telemedicine project to

provide retinal screenings for diabetic patients; EVCHC was selected as the site to house the camera that would serve the SPA 3 patients. As such, EVCHC has the technical and professional capacity to provide retinal image scanning and image reading services for their 2500 diabetic patients, including referrals from other PPP and county-operated clinics in its geographic catchment area.

EVCHC will coordinate with other PPP and county-operated sites in the SPA 3 area to provide retinal image scanning and reading for their diabetic patient population.

If you have any questions or need additional information, please contact me at (213) 240-8120.

WF:pm

c: Sharon F. Grigsby, MBA  
Rene Seidel